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If you have any comments on this draft form, you can
submit them to us on our web site. Include the word
DRAFT in your response. You may make comments
anonymously, or you may include your name and
e-mail address or phone number. We will be unable
to respond to all comments due to the high volume
we receive. However, we will carefully consider
each suggestion. So that we can properly consider
your comments, please send them to us within 30
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Form **8874**

Department of the Treasury
Internal Revenue Service

New Markets Credit

▶ **Attach to your tax return.**

OMB No. 1545-1804

2003

Attachment
Sequence No. **127**

Name(s) shown on return

Identifying number

Part I — Current Year Credit

	(a) Name and address of the qualified community development entity (CDE)	(b) Employer identification number of CDE	(c) Date of initial investment	(d) Amount of qualified equity investment	(e) Credit rate	(f) Credit ((d) × (e))
1					5%	
					5%	
					5%	

2 New markets credits from pass-through entities (if from more than one entity, see instructions):

If you are a—	Then enter the total of the current year credits from—
a Shareholder	Schedule K-1 (Form 1120S), line 13
b Partner	Schedule K-1 (Form 1065), line 13

EIN of pass-through entity

2 | |

3 **Current year credit.** Add the amounts on line 1, column (f), and line 2. Partnerships and S corporations, see instructions . . . . **3** | |

Part II — Allowable Credit (See **Who must file Form 3800** to find out if you complete Part II or Form 3800)

4 Regular tax before credits:
- Individuals. Enter the amount from Form 1040, line 41 . . . .
- Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return . . . .
- Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b

4 | |

5 Alternative minimum tax:
- Individuals. Enter the amount from Form 6251, line 35 . . . .
- Corporations. Enter the amount from Form 4626, line 14 . . . . . .
- Estates and trusts. Enter the amount from Form 1041, Schedule I, line 56

5 | |

6 Add lines 4 and 5 . . . . **6** | |

7a Foreign tax credit	**7a**	
b Credit for child and dependent care expenses (Form 2441, line 11) .	**7b**	
c Credit for the elderly or the disabled (Schedule R (Form 1040), line 24) .	**7c**	
d Education credits (Form 8863, line 18)	**7d**	
e Credit for qualified retirement savings contributions (Form 8880, line 14)	**7e**	
f Child tax credit (Form 1040, line 49)	**7f**	
g Mortgage interest credit (Form 8396, line 11)	**7g**	
h Adoption credit (Form 8839, line 18)	**7h**	
i District of Columbia first-time homebuyer credit (Form 8859, line 11)	**7i**	
j Possessions tax credit (Form 5735, line 17 or 27)	**7j**	
k Credit for fuel from a nonconventional source	**7k**	
l Qualified electric vehicle credit (Form 8834, line 20)	**7l**	

m Add lines 7a through 7l . . . . **7m** | |

8 Net income tax. Subtract line 7m from line 6. If zero, skip lines 9 through 12 and enter -0- on line 13 **8** | |

9 Net regular tax. Subtract line 7m from line 4. If zero or less, enter -0- | **9** | |

10 Enter 25% (.25) of the excess, if any, of line 9 over $25,000 (see instructions) | **10** | |

11 Tentative minimum tax (see instructions):
- Individuals. Enter the amount from Form 6251, line 33 .
- Corporations. Enter the amount from Form 4626, line 12
- Estates and trusts. Enter the amount from Form 1041, Schedule I, line 54 . . . .

11 | |

12 Enter the greater of line 10 or line 11 . . . . **12** | |

13 Subtract line 12 from line 8. If zero or less, enter -0- . . . . **13** | |

14 **Credit allowed for the current year.** Enter the **smaller** of line 3 or line 13 here and on Form 1040, line 52; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 2a; Form 1041, Schedule G, line 2c; or the applicable line of your return. If line 3 is greater than line 13, see instructions . . . . **14** | |

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